

ER - 11-9625-a

STATOTHR

12 DEC 1959

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Dear [REDACTED]

Thank you for your letter of 30 November concerning the difficulty of increasing the rate of economic growth in the United States and the relative ease with which rapid growth can be achieved in the Soviet Union which I have read with interest.

As you know, the recommendation of government policy is not within the scope of my responsibilities, and in the interests of orderly government it would not be appropriate for me to prescribe a course of action designed to quicken this nation's pace of economic expansion. There is, however, an extensive body of literature available on this subject, including prominently the publications of the Committee for Economic Development and the Rockefeller Brothers' Fund. The economics profession seems to agree that there are ways and means of increasing our future rate of growth above the historical three per cent, but disagreements exist as to what specific steps should be taken.

With respect to the role of government, many economists would disagree with your conclusion that it can do nothing to stimulate growth. Indeed, the Joint Economic Committee of the Congress is currently holding hearings on the subject of, "Employment, Growth and Price Levels," preparatory to recommending legislation designed to stimulate growth. I believe you will find the record of these hearings of interest; several volumes have already been published.

Sincerely,

Handwritten:

~~Even~~ if I were qualified to do so which I am not. AWD

SIGNED

Allen W. Dulles
Director

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ORR/Och/E: [REDACTED]

/dbw 4 Dec 59

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